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The Second Annual Message of the Former of Arcadia Territory, to the Legislature Thereof, delivered Nov. 13th 1862

Gentlemen of the Council
and House of Representatives

Upon this day again assemble in your Legislative Capacity, after an interval of time filled with important events in the history of our beloved Country, it is with devout thankfulness and profound gratitude to the Supreme Ruler of nations, for the continued prosperity and the material progress of the general Territory of Arcadia,

In my last Message, I referred briefly to the condition of our Country at large; to the enormity of the rebellion then raging in a portion of the States of the Union, and to our duty as citizens of this Territory, to express with a joyful will, an loyalty to the present government,

The condition is not yet Satisfactory; but since your adjournment events have transpired which betray, with sufficient clearness, the waning fortunes of the so called Southern Confederacy and vindicate a final triumph not distant, of the National arms and the National Constitution,

The series of splendid victories which have adorned our banners, saving the Campaign of the Mississippi, from the reduction of Fort Henry, to the present battles in Maryland, and the expulsion of the enemy from Virginia, to undoubtable testimony to the Capability of our Volunteer Soldiery to accomplish what they have undertaken to do. And, with the new levies of troops now in the field, and the execution of the Emancipation act & kindred measures, with the Prospect of a glorious consummation of Liberty to the oppressed Race the termination of the Campaign of 1863 will be the termination of the Southern Conspiracy,

The opening of the Campaign of the present year found the enemy still formidably entrenched at Manassas; fortifying himself at the State his pretended Capital. Overrunning the border States of Kentucky and Tennessee; in possession of the Mississippi Valley South of the 37th parallel of North latitude; and in occupancy of every port of Consequence on the Southern Coast, except the Valley of the Shenandoah, in Virginia, and his advanced lines, on the west, extended nearly as far as the Ohio River. He occupied the State of Kentucky with a force of 130,000 men, his Head Quarters in Bowling Green, and, at Columbus, had brought into effect every available appliance to strengthen that position, which he considered an already impregnable position,

The condition of the Union men of the rebellious States and their expectations of foreign intervention in their favor were based upon contingencies over which they had altogether failed,

Such was the enemy. The Union armies began to move in Kentucky. The enemy, on alarm, evacuated Bowling Green, and retreated into Tennessee. The Union armies followed, and with the Co-operation of a flotilla of gunboats, & a strong force called, from Kansas, penetrated the heart of the enemy's country in two lines,

forthwith upon a vigorous and strenuous prosecution of the City, defraud all their enemies in the power & assistance to the defence, Mingled themselves with the commands of their Natural Princes Africans and Indians, and with their Combined Force, and Stratagems, and their cruel manner. Perfidiously with violent detestation to Justice themselves in this, as they considered the Establishment of their guiding Rights.

A Parliament of the City to Virginia meeting Richmond but unfortunately to answers to meet to accomplish the Protection of the City. The same months of January and immediately Royal by our Lord and Commanding Deputies in the Mahanoc Towns of the Shenandoah. Who Combined with very interesting Letters of the Governor of Virginia, and with the Council of State, Commanding Officers of the Militia, and Inhabitants of the City, Commanding Officers of the Militia, and Inhabitants of the City, Commanding Officers of the Militia, and Inhabitants of the City

While this cracked lines of troops and cavalry was running through the Summer marine at the East in order to distract the operations of our troops at the West the rebels organized a system of Guerilla warfare cruel and outrageous in the extreme. Swarms of desperate and irresponsible marauders sprang from the midst of loyal communities and overran the States of Missouri Kentucky, and Tennessee — plundering burning, murdering, treating association and misery wherever the traitors set foot. In Missouri they were for the most part subjugated. but in Kentucky and Tennessee they gathered together in large bands. formed a rendezvous and marched in some degree of order through Counties and from City to City. Their strength for awhile increased. until at length portions of the bands were organized into regiments and brigades under the discipline of some of the subordinate officers in the rebel service in which condition one body of them was met in Kentucky by a force of our own troops at Perryville and signally defeated; and another body in Tennessee was utterly routed at the battle of Stone River.

Other bands are since continued to ravage certain portions of the states mentioned but in greatly reduced numbers; and their recent and various defeats are indicative of their rapidly approaching dissolution.

Thus it will be seen that the gathering hosts of the rebellion through the year 1862 have been scattered and broken and driven back from the borders of Kentucky, Tennessee, Virginia, Maryland from which would be invasions; has secured Tennessee, the northern Counties of Alabama a large portion of Arkansas and of North Carolina. and the blockade of the Coast of Virginia to the fullest authority; has reduced important maritime cities to obedience; and has planted our flag in every state in the Union where until recently the rebellion had sway.

Other events of equal significance indicate the dying fortunes of the traitors; the prominent of which are the formation of Union regiments in states where our armies advance into the enemys territory; the election of a member of Congress from the eastern district of Virginia; the election of Mr Vance to the gubernatorial chair of North Carolina; his summoning a Council to take into consideration the course that might to be pursued by his State, in view of the President's Emancipation Proclamation; and the alarm manifested in the rebellious States in anticipation of the execution of the act confiscating all property used in the destruction and retardation of the so called Confederate Congress

What to some may appear an alarming vitality in the traitors in their efforts to overthrow our gentle and protecting Government is a fatality rapidly accumu-

for when we contemplate the course pursued by them during a long period of time previously to the bursting out of the rebellion, and examine into the cause which actuated them to perpetrate their awful crime

Having control of the high places of the nation both at home and abroad including at times, even that of the Presidency at an early day they devised, and during a succession of years they matured their plot. They influenced the elections in many of the northern States; they reduced the action of Congress to a subserviency to their aims; they selected a minister to represent the country at foreign Courts, such as would play the emissary of discontent; they dictated the decisions of the Supreme Court of the United States, whenever the decisions had reference to the success of their designs. Their leaders and their reliable Co-adjutors from the North occupied under successive administrations, influential positions in the National Cabinet, and gave by some degree, their aid to the insidious Conspiracy, until at last it rejoiced with a Southern traitor in the War Department and a Northern accomplice in the Navy Department.

While thus planning the destruction of their country, their political leaders were fed by the National Coffers, and became rich with treasure taken from the National Vaults. Their military leaders were educated and sustained at the public expense. Their section of the Country was sunshine in the high flood of its prosperity, and their people sung in the fullness of their hearts, under the benign influences of the Constitution.

When the Conspiracy approximated to its Consummation the leaders of it looked with complacency Confidence upon what they already deemed the success of their Machinations. Their instruments in the War and Navy Departments had performed their parts of the ignoble requirements well. The Northern Arsenals were stripped of their usual Complements of War materials, and the Southern Arsenals were filled with them to repletion.

Our Army Cut up into Small detachments and officered mainly by Southern ingrates, was doing garrison duty in widely distributed forts — on the Atlantic Coast, on the Western Plains, in the wilds of Texas. Our Navy was scattered abroad on distant Seas. The Northern ports and Northern Yards were idle. The Treasury was empty. The conspirators had secured all that was available. Our Government was left Comparatively destitute of ordinary means of defence.

The object of the heads of the treason was not entirely to perpetuate the institution of Slavery. It was more particularly to establish an exclusive and despotic Government based at first upon the foundation of property and subsequently to be upheld by means of that property upon the

Controlling prestige of birth. The institution of Slavery, of a despotic origin in itself, was to be the engine of the elevation of a few to absolute power; and the infatuation of the many was sedulously excited, with reference to the favorite institution, for the purpose of securing an influence over the middle classes that would enable the leaders to rule their opinions at will.

How nearly, under these views of the circumstances, the conspiracy approached to success, is not a matter of surprise. Nor can we wonder at the tenacity with which the traitors cling to their desperate fortunes when we seriously reflect upon their object and review the means by which, during so long a period of time, they have steadily labored to undermine the National Government.

With carefully completed plans; with armies already organized and equipped; with abundance of munitions of war; with facilities for seizing Navy yards, forts, mints, and other Government property; with numerous commissioned officers in the National army; with co-operators in all the Departments at Washington; with emissaries abroad; and with, as they believe, a powerful party at the North to sustain them, they had no reason to expect failure.

[illegible] of a brave officer, from Sumter to Sumter. Their not the grand uprising of the people. What however could the people do with no Government means of equipment; with no aid of the Navy! The usual state [illegible] of the [illegible] administration.

Never in the history of nations was such energy displayed by an executive as by the new President of the United States in this dreadful crisis. Within a few days an Army of Volunteers was gathered at Washington for the protection of the Capitol. The Navy was recalled from abroad; Congress was summoned; the Arsenals rung again with the music of labor; Foundries, public and private in every part of the North were with inconceivable rapidity, at work in casting cannon for the Country. The Treasury was replenished by the Catholic munificence of private banks. A fresh army of 400,000 men was called into the field armed and equipped. The Navy was largely increased. The rebel coast was blockaded; Washington, to a great extent, was purged of a miserable horde of spies. And foreign Governments were informed with vigorous determination, of the exact relation that must continue to exist between them and our own Country.

Few either at home or abroad can fail to admire the forbearance with which the administration has — while firmly at all times upholding its delegated authority — dealt with the erring people of the rebellious States from the active breaking out of Contest. Only the persistent obstinacy of their self-imposed leaders in madly prolonging their damned struggle — to the fearful loss of blood and treasure to the entire Country, and the ruination of their own section at home — has impelled the President, after long and anxious deliberation, to resort to the last measure of legitimate warfare within his power, as Commander-in-Chief of the army, the liberation of the Slaves in the

United States. This proclamation, in which he declares his great intention, was issued on the 22nd day of September. The magnitude of the event can be fully comprehended only by the dispassionate reflection of posterity.

As an engine of war its formidability is a powerful warrant of early peace, and as a measure of humanity the enlightened world receives it with acclamations of unbounded joy.

Congress, at its last session, shaped under the auspices of the new administration a bill providing for the construction of a Pacific Rail-road. Under previous and successive administrations, this important measure has, in compliance with the demands of the country, been frequently brought into notice, but always with a tampering spirit, and with no intention to construct the work with anything except mere words. The undertaking which such administrations, with ample means at their command, have through the machinations of the Conspirators, with sinister objects in view, neglected, are now been definitely inaugurated at a period of time when the Comprehensiveness of the Government in providing for the severe exigencies of the day, and at the same time, in attending to the civil necessities of the Country, are a sufficient guarantee of its prosecution to early success.

Passing through the Territory of Nevada the road will be, to say people, of inestimable, The inexhaustible richness of our mines has yet, with an population of this kind, attracted but a small fraction of the numbers who will, in preceding years, be allured to take up their abode in our midst. With this gradual increase of labor will be created a more urgent necessity for an easier and more expeditious outlet for the ever augmenting riches from our pilon producing ledges and for a cheaper means of transportation to us of provisions and other requirements of life, than we are now compelled to submit to through the slow and expensive tolings of mule teams across mountains across deserts and through snows.

The magnificence of the undertaking in a commercial point of view, is of a character so grand, that all other enterprises, in the march of mercantile progress, pale into comparative insignificance in comparison with it. Already we anticipate the time, not far distant, when the immense treasures of the islands of the southern ocean, - the splendid and costly articles of the Indies, of China, and of Japan - the household luxuries of those rich old tropical Countries - the vast trade of the East - will all be conveyed in American ships, across the Pacific to our own ports; to be transhipped, by the iron road, across our Continent, through our own States and territories to our own cities on the Atlantic, thence to be again transhipped in our own vessels, across the great ocean, to supply the wants of countries of pastidious and absorbing Europe. The old, long, tedious Commercial routeways from Calcutta and Hong Kong, down round the cape of Good Hope to Liverpool, Havre and St Petersburg, has had its day. With the construction of the Pacific Railroad, a new era dawns upon the Com-

-mercial history of the world. The Course of maritime enterprises is about to be reversed. Heretofore its way has been Eastward, now the tide is turning and hereafter through all time it must be Eastward,

Independently of the business advantages that will accrue to this Country from this passage and these transhipments of such enormous quantities of freight & crops our Continent and the employment of the numberless Vessels that will be required on the high seas to convey it to its destination, we the increased wealth that the road will be the means of circulating everywhere within our borders, and the Cheapness to which foreign articles of Comfort & wealth will be reduced, we shall no longer have to pay the double duties on many goods that now come to us through the Channels of English Custom Houses, nor the freightage of a nine months voyage on an Indian Coffee, on teas, on spices, on silks. Our own productions will find a remunerative market where they have hitherto been excluded by reason of long distances, and a profitable and cheap return we shall have in abundance, the productions of the wealthy Indies.

The facilities of inter-communication among the various States and territories of the Union will also be largely increased by the completion of this great national work, and its branches, thereby binding together in a still more harmonious system, the interests, and the kindly feelings of all. Every State and territory will then have direct intercourse with her sister States and territories: trade among them will increase to a multifold extent; the prosperity of one will be the prosperity of the other; the interests of one locality will no longer clash with those of its neighbor; Commerce, Manufactures and agriculture will go hand in hand together as fraternal supporters of one another; and the country will be one in a mutual dependence upon diversified, yet Combined interests, as it will be one under the Constitution.

No State nor territory will derive such inestimable advantages from the road as the Territory of Nevada. Situated as we are in what during a great portion of the year, is almost inaccessible isolation of wealth, with mountains piled, with perpetual snow forming directly upon us at the West, piled with a series of ranges difficult to cross, at the East of us, with a Wilderness fit only for the original inhabitants of the waste, stretching away a thousand miles and intervening between us and the fruition of agricultural enterprize, and with no means of receiving the common necessaries of life, except through the expensive freightage of tedious & traveling trains of wagons; the value of the road to us will be beyond calculation. Our resources are of a peculiar nature. Our people are not supported by Agriculture nor by Commerce, nor by Manufactures. We have no sea-coast, no great natural approach to our settlements, our population subsist mainly upon products now brought with much difficulty and at high prices from abroad, and which are paid for in silver taken from our own mines. The disadvantages under which our labor will be materially avoided by the construction of this road.

It will give to us a highway such as no natural highway can be. It will give us easy intercourse with the world. It will bring us within a few hours ride of the seacoast. It will give to us communication with the City of New York in time not a little longer than that in which we now have Communication with San Francisco. It will be the means of the building in our midst of an important Commercial Center. It will bring to us implements of industry in every variety. It will give to us a convenient mart of the needs of life, serving essentially to cheapen the price of such needs, and bring to our laboring and industrious people of the many kinds of their fireside household expenses.

The watchful and solicitous care taken by the genral Government, particularly during the present crisis, in thus providing for the wants of the Country, by inaugurating this undertaking with a munificent appropriation, deserves to be gratefully remembered, and affords a further reason, if such were required, why the present Territory of Nevada should maintain, with unalleged faithfulness, her allegiance to the protecting Power.

Congress for the purpose of collecting a revenue to assist in paying the large expenses of the National Government in this her hour of trial, has levied an assessment upon the people of the various States and Territories. As this Territory has no other burden to bear in these terrible times, there is no doubt concerning the cheerful acquiescence of our citizens in the act of Taxation, and of their prompt alacrity to contribute the limited amount that is required of them.

Congress at their last session also enlarged the borders of Nevada, by extending along its Northern and Southern lines of boundary the territory embraced to the thirty eighth meridian of longitude West from Washington. This tract includes Reese River, a district of Country well adapted to agricultural pursuits; and if I am correctly informed, the newly discovered mines of Reese River and Austin Park, which have already attracted considerable attention, and which as indications tend, are destined, before the meeting of your Honorable Bodies again, to draw a large population to their midst.

The population of this tract of country is now not inconsiderable. The rich hay lands that underlie the broad basins, here and there throughout the territory, and the preliminary investigations of the mines, have already given employment to numbers which are gradually increasing, and who are now, and until definite action taken by you in their behalf, will continue to be isolated from Laws and Social Government. They are not represented in your Honorable Bodies, and the duty devolves upon you therefore to attend unsolicited to their wants. This district of country might be devided, and the several portions attached to the several Counties of Humboldt Churchill and Esmeralda. For various objections to such a disposition of

it is the great distance of its settlement from the seats of Courts in those Counties, which cuts not but operate to them as an exclusion, virtually, from the dear privileges of Justice,

I therefore recommend that your Honorable Bodies create a new County out of the territory that I have described, and make provisions for its organization.

During the last session of the Legislature of this Territory, a joint resolution providing for the election of two Commissioners who with myself, should constitute a Board was adopted, the duty of which Board it was made to wait upon the Legislature of California, at their next ensuing Session, and urge upon them the propriety of ceding to Nevada, the territory lying east of the Sierras.

The Board were duly elected, of which I had the honor to be chosen Chairman. In due time we proceeded to San Francisco where the Legislature of California was then in Session. Without delay we memorialized that Body to cede to Nevada all that portion of territory claimed by California which lies East of the summit of the Sierras, in compliance with the design of the General Government, as expressed in the organic act of this Territory. Six weeks we remained urging the claim, at the expiration of which time a vote was taken which showed conclusively that Compliance would not be made with our request. It is not thought that there [illegible] willingness to cede the territory in question, but upon what there believed to be a misconstruction in the Constitution of their State. The boundaries of their State being established in that instrument, they held that they had no Legislative authority to pass a law ceding, or relinquishing jurisdiction of any portion of the territory therein included. The only way, as they claimed in which the session could be made, was by an amendment to their Constitution. That would be a slow and tedious process, taking three years to accomplish the object in view. We warmly endeavored to convince the Body that the Constitution of the United States, (Article IV Section 3) pointed out the manner in which new States were created, and boundary lines altered; and claimed that if they had any thing in their Constitution antagonistic to the Constitution of the United States, it must give way in obedience to the Supreme law of the land.

I do not believe that a mere discription of the extent of territory embraced within the limits of a State, even though it may be set forth in the Constitution of the State, requires an amendment thereto in the manner as it would to change some fundamental principle of Constitutional law. Neither does it appear that the Legislature of California have, at all times entertained such an opinion. The action of that Legislature has been rather contradictory. Two years ago they passed a law authorizing the six Southern Counties of their State to go back into a territorial condition, with a view to the establishment of a new State, if those Counties by vote, should desire so to do.

A ballot was taken on the question and decided in the affirmative, when Governor Latham, in a well reasoned report to the President of the United States, sustained the legality of the proceedings.

Under the provisions of an act entitled "an act to provide for a special election" approved November 28th 1861, the appointment of officers for the County of Esmeralda was made an exception to the duty of the Executive to make appointments for the Counties, until such time as the Western boundary of the Territory, or rather the Eastern boundary of California should be ascertained by survey or otherwise; when the Executive was to appoint such officers as would be required, and give that County an organization. The Legislature at the same session made an appropriation of one thousand dollars to enable the Executive to run, or ascertain the boundary line from an initial point established by the regularly constituted Board of United States Surveyor, — in connection with an agent, or commissioner appointed by the State of California. A Contract was entered into with two competent and experienced surveyors — Butler Ives and John F Kidder — to run the line in accordance with the law authorizing the appropriation, and for the amount set forth in the law; which duty they performed in a highly satisfactory manner, during the month of August in the present year. In drawing their line, they found that the Village or City of Aurora lay within the limits of our Territory. They furnished a map of their survey, which they furnished to me, and which I herewith submit to you. I have not yet organized the County by the appointment of the required officers, for the following reasons: Firstly, because I am of the opinion that the present Legislature of California will cede to us the Territory this side of the Sierras; and Secondly because, when I arrived in Nevada, I found a County fully organized and officered by the State of California, and which was embraced within one of the Judicial districts of that State; under which jurisdiction the rights of persons and property had been and are now being, determined. Immediately after the result of the survey was made known, I visited Aurora, in the disputed County, and found there a large population, with great and valuable mining interests, and extensive possessions of real estate, some of the most valuable of which property was already in litigation. As you were so soon to convene, I concluded to await further instructions from your Honorable Bodies as to what course it would be better to pursue under the circumstances. To raise questions of jurisdiction is at all times a delicate duty to perform, and should, if possible, be avoided; for the consequences are not only oftentimes ruinous to property holders, but destructive to the peace and quiet of communities and States.

After the survey of Messrs Ives and Kidder, I visited his Excellency, Governor Stanford of California, and had a long and quite satisfactory Consultation with him with regard to this question of boundary. He denied that no steps should be taken to organize the disputed County, on the part of the Territory, until the meeting of the California Legislature; when he would recommend

that a joint Survey of the line should be made by the State and Territory, by which the Controversy should be decided. He entertained no doubt Concerning the favorable action of his State Legislature upon his recommendation. This Course was proposed to be acted upon in the event that the Legislature would not directly cede to us the territory East of the Summit of the Mountains.

It is desirable, if possible, to avoid Collision with our neighbor State, in the Consideration that our interests are so intertwined as almost to make us one people. Relying upon your Counsel and direction in the premises, and ready at all times to Co-Operate with you, with that becoming alacrity attendant upon perfect confidence in your judgment. I entrust the matter into your hands; recommending that your Honorable Bodies pass a joint Memorial to the Legislature of California, asking for the cession of the territory in question, and if such cession be not agreed to, then that a joint survey of the boundary be provided for by the Co-operating action of the State and Territory.

If the last Session of our Legislature an unsuccessful effort was made to enact a Law under which Corporations could be Created within our Territory. The passage of such a Law is regarded as of the highest importance to the business interests and progress of the Territory, to the end that parties desiring to incorporate shall not be obliged to do so under the laws of other jurisdictions. In framing such a Law great care should be taken to protect the Corporator in all the legitimate rights, while at the same time equal care should be taken to protect the people from any and all abuses their Corporate vocation is quite prone to practice in its Corporate Capacity.

In perfecting such a Law you will have no difficulty as far as our internal affairs are concerned. You will meet with more difficulty in arriving at a just conclusion with regard to the proper legal restraints and protections that will be required in regulating the workings and Creations of Corporations Created under the Laws of California, and Foreign States. In entering upon this important Labor you will of Course remember that when many of the now leading Corporations existing in the Territory were formed, we had no Laws, nor Territory under our Government through which the Corporations could be Created, and as a matter of necessity, when created, they must have been formed under the Laws of some jurisdiction foreign to us. Likewise it will be borne in mind that the Character of our pursuits is such, and the products of our Country are so peculiar, as almost to render it a necessity that Corporations should be formed in a way to secure a successful development of our resources and the profitable working of our mines. Corporations thus formed and thus employed have done much to give to this Territory the just appellation of the richest Country of the world; and have been greatly instrumental in attracting not only Capital and Capitalists to it, but also Large numbers of what Constitute a

State or Territory's wealth, namely, The laboring masses. Neither will it be forgotten that the investments at one time comparatively small and insignificant under their workings have now assumed gigantic proportions; and men who a few years ago were poor are now reposing upon an ample abundance. When the eye takes in at a glance the situation of the Territory to day, as compared with its condition three short years ago, it compels the heart to rejoice at its unparalled success, when there were barren mountains, slopes, and desert plains, now are seen thriving cities and stupendous business operations; where then the Children of the Wilderness held sway, now the intelligent and indomitable white man reigns supreme; Where there were idleness and unproductiveness and want; now are beheld that stirring activity and thrift which always follow in the wake of well directed labor. Our mountains, so high that they literally pierce the clouds, and whose snow capped peaks seem so forbidding as to cause the wild man of the desert to hesitate as he approached their frowning presence, in his wanderings, are now made by the skill and enterprise of the White man, great thoroughfares and highways, where the traveler counts by thousands the teams used in the transportation of products to us from without, and of ours our products from our mines. This great change and metamorphose has been wrought by the instrumentality of Capital in the development of our mines; and most of this Capital was originally brought to us from abroad. While we look with wonder at the changes so important to us, we should bear with care, in all our Legislation, the fact that Capital, Beginning a new life, is ever under consideration, two things of paramount importance must be borne in mind by its owners. Firstly, that all foreign Corporations must be subject to our local jurisdiction. They must be so placed by our laws that they can be sued in this Territory. Secondly (and this is the most difficult point that you have to deal with in this matter) the justness of taxation in the premises. How are the Corporations to be taxed? and what is to be taxed? These are the two questions which you in your wisdom, will have to answer. Are the improvements to be taxed? That question was answered affirmatively by the Legislature last winter. And to the recommendation that I had the honor to submit to that Body viz. the taxing of the gross proceeds of the mines. The committee to whom that question was referred disagreed with me in my recommendation, and themselves recommended taxing only the net proceeds of the mines, which recommendation was not adopted. A plan of taxing improvements being substituted instead.

After much reflection and study upon the subject, I confess to serious doubt as to what is the true standard of taxation in the premises. The objection to taxing the mines directly is found in the fact that they are the property of the United States, and are not therefore the subject of taxation. The object to taxing the Certificates of stock, as representing the value of the mines, lies in the fact that they represent the value of a species of property that

has not fallen out of the Constitution of the United States. In this respect their Character of stocks is unlike that of all others. The railroad or bank stocks the certificates always represent the value of the road or bank, and when the amount of the Capital Stock is ascertained, then the value of the certificate, roughly is known. Not so with the stock that we have under Consideration. If for instance, the Legislature should pass a law taxing the gross amount of the products of the mine, and the Corporation should refuse to pay the tax: If then the collector should proceed to sell the improvements of such corporation, and if the improvements should be found insufficient to pay the agreed Amount the mine could not be sold, and there the remedy to the Territory would be exhausted,

It seems to me that the true rule in this matter is, either in taxing the net proceeds, or the improvements of the Corporations: and the result of adopting one or the other is of consequence only as it affects the ratio of taxation. Let the former method be adopted, and the ratio will be less. Let the latter be adopted, then the ratio will be more: and this question as regards improvements affects all other branches of industry. On the contrary, it will be well to remember that the mines of this Territory are the means of support of all our other great business interests, and the influences of their wealth. The mechanic pulls his product, the farmer his wages. The mechanic labors in the tunnels, drifts, and crosscuts, our mining interests underlie all the business interests of Nevada. Upon this success depend the future of this now promising Territory. That system of taxation should be adopted which would best calculated to foster and encourage this great interest already developed and which would be most likely to facilitate production from mines now in process of opening. The work of separating our gold and silver from the ore is attended with great outlay and expense, and consequently requires a large amount of Capital, which must, of necessity, come from abroad until the time shall arrive (which I trust is not far distant) when we can furnish Capital not only for ourselves, but for the development of other mines as we have the various sections of our own Territory. In this delicate labor of determining what shall be taxed, we propose to the miners. You will endeavor to place as few burthens upon them as possible. Consistently with the requirements of sufficient revenue to place our Territory at all times in an independent condition: and to furnish its Treasury with money sufficient to meet all demands that may exist against it: Remembering always that taxation is to be uniform, and that by the provisions of the organic act no discrimination can be made between foreign and domestic Capital nor among the different kinds of property: and remembering just this as a natural consequence, that all property subject to taxation should be taxed in proportion to the value of the property affected.

Concerning the organization of the Military of the Territory, and what has been done respecting it I respectfully -

refer you to the report of the Adjutant General, which with his respective recommendations, I herewith submit, and commend to your favorable attention: with this additional recommendation, that your Honorable Bodies adopt some means by which the organization of independent Companies shall be increased, as they are the only class of our militia to which arms can be furnished; and as I consider it of the utmost importance that we should have at least one thousand good and loyal men well armed and organized in Nevada.

In my message of last year I recommended a System of Free Schools which on publication was adopted by your predecessors with a becoming promptitude which exhibited their ready appreciation of the importance of an early educational training of our youth, with reference to the present enlightened standing and the future welfare of this Territory. The report which I submit to you, of the Superintendent of Public Instruction reveals some progress in the establishment of the system within his jurisdiction, and, at the same time, points out various deficiencies in the law; and makes suggestions, by way of remedy. Which I recommend to your careful consideration. I recommend especially, that provision be made for the establishment, in the several counties, of a competent Board, whose duty it shall be to examine Applicants for Teachers' Certificates, with a view to insure, as far as possible, the employment of unexceptionable persons, of whom, in my opinion should not only learning requisite, but also the moral qualifications to educate in order that the heart may not be forgotten while the mental faculties are in process of development. An Educator to be successful, should possess the faculty of imparting his Knowledge into the minds of others; a faculty that ... to a considerable degree, be cultivated, in accordance with the spirit of interest taken by him in the progress of his pupils. Such interest depends in a large measure, upon that taken by parents and guardians in the advancement of their children. Let them exhibit a pride by visiting the Schools, in the educational well being of the Scholars, and the teachers will have a further incentive to do still more. The Superintendent, I regret to say, feels compelled, in his Report, to complain of a lamentable amount of indifference, in this respect. It should be done away with. Carelessness on the part of those having in charge the education of the young amounts to a species of Criminality. The consequences of which will be visible in all the spheres of active life. If parents would have their Children occupy respectable positions in society, they must watch vigilantly their education. If they desire that their son and daughters shall be virtuous and honorable, they must see that the teachers of them are teachers not only in name, but in moral and intellectual qualifications, also Errors, or false impressions upon the youthful mind, are like spots upon polished steel - which can never be erased. I enjoin all parents to take a lively interest in our schools and in the character of them. If this is done, there would be to those few riches and more

enduring Monuments and of Days on which those accumulations of wealth. The riches of the world are treasures that remain,

I trust that no means will be withheld to place our common schools upon a liberal and substantial foundation. A carefully devised system now under which every child in the Territory shall have free access to the door, will insure to a highly intelligent and educated and accomplished people hereafter.

Provision is made in the Organic act that this Territory shall be divided into three judicial districts. and that a District Court shall be held in each of the districts by one of the judges of our Supreme Court. at such time and place as may be prescribed by law.

This provision shows clearly that Congress. in the construction of it. did not contemplate the extent of the judicial business of our Territory; and in the clause above referred to - for such term - provided for only one session of the Court in each district during the year; and established as compensation to the Judges there of the Anual sum of but Eighteen hundred dollars. An amount less than that which is paid to those of any other Territory, except to those of the Territory of Colorado.

An act of Congress. dated June 14th 1858. provides that it shall be lawful for the Judges of the Supreme Court in the various counties of their districts, which may be provided for by Territorial law, for the purpose of transacting business other than that in which the United States is a party, and it is by the same act made lawful for the Territory to pay the expenses of the same.

It is well known that the business of this Territory has been so great that, in addition to the sessions provided for by the Organic Act in each district, it has been necessary to hold Courts in the various Counties of the Territory already organized, and in some instances as high, in number, as four terms a year have been required for a single County. In addition to all this, the remaining time of the judges has been almost constantly occupied in the discharge of duties which are not confined to business in open court alone, but to their Labors at Chambers which by the Law, they are required to attend to daily.

In this state of the law, and in view of the great increase of the terms of Courts required by the business interests of our people beyond those contemplated by the Organic Act. I deem it proper to enquire whether the Salary now provided for the Judges is sufficient and whether the Compensation for additional labors and terms. alluded to by the act of June 14th 1858. should not be allowed by you.

Our judges have Labors greater and more numerous than those of the judges in most of the Districts in the neighboring State of California. to attend to. yet in this Territory where the cost of living is much higher. they receive for the support of themselves and families a Compensation. which, when converted into money. amounts to far less than one half of the sum paid to the judges of any of the districts of that State.

I refer, respectfully, that You provide an additional

Compensation, said by the General Government to these officers, which shall be commensuate with their duties and responsibilities, and bear a fair proportion to the magnitude of the interests upon which they are required to adjudicate. Any sum less than one of five or six thousand dollars, where the cost of living is so expensive, and the interests are so vast as they are in this Territory, would seem to me to be inadequate.

By virtue of an act entitled "an act relating to a Territorial Prison and Asylum", passed at the last session of the Legislature, the Governor, Secretary and Surveyor General of the Territory were authorized a Board of Commissioners, and empowered to lease, purchase or have erected, at the expense of the Territory, a suitable building to be used as a Prison, at a cost not to exceed ten thousand dollars, upon inquiry and investigation we ascertained that no building could be either purchased or built, suitable to the purpose, at the amount of the appropriation, and this without taking into consideration the employment of a warden and other officers indispensible to the safe keeping of prisoners. We thought under the circumstances that it would be best to enter into a contract with the Hon A. Leeds for the keeping, guarding and furnishing of the prisoners that the Territory then had on hand, and of all such as should be committed at any time within the year, until the first day of January next; which was accordingly done, the Board agreeing to pay Mr Leeds, on behalf of the Territory, the sum of five hundred dollars per month in consideration for his services and outlay in the matter. The number of Territorial prisoners has been small, not exceeding four at any one time, as I am informed, and in order to give Mr Leeds powers of discipline and control the prisoners, I appointed him as I was authorized to do by law, Warden of the Prison, with compensation in accordance with a stipulation of the contract. He was however to have the profits of the prisoners labor, in further consideration of his furnishing all the help, attendants, and guards necessary.

I think that the contract is a good one as far as pecuniary considerations are concerned. For future purposes, however, I recommend the purchase, or erection of a suitable building adapted to the better discipline and the safer keeping of those convicted of crime and committed to Prison.

In connection with the Prison buildings, suitable apartments, adapted to hospital purposes, might be added thereto, without much additional outlay of means; and the Physician attending the prisoners could then in the meantime attend to the unfortunate inmates of the hospital without increased expense.

Some weeks since I received from William Phipps Blake, a Commissioner elected to represent the Mineralogical and Mining interests of the Pacific Coast of the United States at the International Exhibition held at London England during the year 1862, and a member of Sub-Committee A. appointed at a meeting of the General Committee, at Sacramento Cal. in September 1861, of which I had the honor to be Chairman, a valuable Report dated on ship-board between California and Japan, January 1862, written from notes taken by himself, while —

journeying through this Territory upwards of a year ago. It treats of the Physical Geography and Geology of this section of the Country; of our Principal Mines and Veins; of the Mills, Reduction works and Processes in use for the Reduction of Ores; and generally of routes, distances Elevations and Statistics; all of the highest interest and of exceeding value to the People and History of our young Territory. Such something reliable, descriptive of, and concerning our Territories resources, wealth and developments, it would constitute a most valuable pamphlet to circulate through other portions of our own Country, and to send to Countries abroad. Such an exposition as this, of the important facts of Nevada is much needed, particularly as so little has yet been published with regard to them, and as that little has been of so flippant and unreliable a character, Nothing but correct information well disseminated in pamphlet form would [illegible] beyond the speculation, or hope of the most sanguine. I frequently receive Communications asking for information of the character so fully and ably given in this most interesting Report. I recommend that an appropriation be made by your Honorable Bodies for the printing of the same, and that too, for the printing of it in such form as to make it convenient for circulation, believing that it would be one of the most potent of Agencies in attracting attention to this highly favored section of our Land.

It has occured to me that the Act entitled "An Act Concerning Crimes and Punishments" needs some amendments. Prominent among the evils of the Criminal practice is the [illegible] examination of the Witnesses or the Jurors in a given Case, after the Conviction of a Criminal and after Sentence is pronounced, to grant a writ of Supersedeas and a stay of execution until the final hearing of the case before the Supreme Court. If this method of practice remain upon the Statute book, the trial, Conviction and Sentence of a Criminal are but incipient steps in the weary pilgrimage of Litigation. I assume that all persons Convicted of Capital Offences will appeal to the Supreme Court, while such appeals virtually stays the execution of the Sentence until the annual session of that Court. The presiding Judge before whom the case is tried knows, when he pronounces the solemn Sentence, and assigns a day upon which the Sentence is to be executed as well as the unfortunate Culprit himself, that such Sentence will not be executed if it is fixed at any time prior to the session of the Supreme Court. While I am aware that all persons accused of Crime and especially of Crimes of that nature that work a forfeiture of life should be shielded by all the forms and Substance of Justice and Law, still I am convinced that speedy and certain punishment for Crime is the terror of those who are prone to commit it. If this supersedeas, to continue to follow almost as a matter of course, then I think that it would be preferable to say at once that an appeal shall operate as a stay of proceedings, than to compel a Judge to ignore his mandate, while at the same time he is convinced that the ruling

of the presiding judge are all correct and the finding of the jury in accordance with the facts of the case. I recommend that in cases where a stay of proceedings is desired, notice shall be given to the presiding judge that on a given day a motion will be made to that effect; and that time shall be given to the judge to whom this notice is given sufficient to summons one or both of his associate judges to be present; that the motion shall be made to the two or three so attending; and that the rule made by them upon the hearing shall be entered as a rule by the Court instead of a rule by a single judge.

Section 130 of the law provides that no black or mulatto person, or Indian or Chinese, shall be permitted to give evidence in favor or against any white person. Every person who shall have one eighth part or more of Negro blood shall be deemed a mulatto; and every person who shall have one half of Indian blood shall be deemed an Indian.

Section 342 of the act relating to the Civil Practice provides that "persons having one half or more of Indian blood, and Negroes or persons having one half or more of Negro blood," shall not be witnesses in any action where a white person is party to the suit.

In comparing the two sections it will appear that there is a discrimination made in behalf of Colored persons testifying in Civil proceedings. This I regard as wrong. It should be in behalf of persons accused of crime. In the one case, property ~~is~~ only is involved; In the other, reputation liberty, life. A careful examination of nearly a quarter of a century of professional life persuades me that all persons of all races that are held amenable to law, — who share in its protection and are subject to its power, — who are visited by its penalties, and taxed for its maintenance, — should be allowed to testify in Court.

It is urged by many that in permitting persons of color to testify we elevate them in the scale of humanity, and make them mans the equal of the white man. Admitting such an assumption to be true, it furnishes no argument against its propriety. I do not believe that if the entire energies of the superior race were directed to the elevation of the Colored races, it would place them higher in the scale of being than the Creator designed them to occupy.

It is not alone for the class of people prohibited from testifying by our statutes, that the amendment is asked; but for the white race chiefly. Many instances will occur in future, as many have occurred in the past, when the proper administration of justice will demand the admission of this now excluded testimony. Justice in her administration, demands the pleading of all light probable upon questions under adjudication, and she will be satisfied with nothing less. She pleads for truth, come it from what source it may; and she stops not to inquire what the color of the hand giving utterance to it may be, nor what nation may have given him birth. The tribunal to which evidence is submitted must weigh it in the scale of its judgment, and receive all that is worthy of credit. Come it

in either case, from whatever source it may. The surroundings of the witness; his position in society; his general intelligence; the opportunity that he may have had of ascertaining somewhat concerning the subject in which he is testifying; his general truthfulness; his demeanor in life; and the whole man, are proper subjects of inquiry for Courts and Juries. They will seldom err in giving to each his proper place and in determining exactly what weight is due to each man's testimony. Truth is always Consistent with itself; falsehood is always full of inconsistencies.

I have been unable to obtain even the approximate amount of the productions of our mines during the last year; but from the best information within my reach, I estimate it to have been in the region of one million dollars a month during the season when the mines have been worked. The terrible disasters occasioned by the floods of last winter, that visited the mills and miners; in the great loss of machinery that resulted therefrom; united with inability to replace the machinery which was injured, or lost, with other machinery has operated to the prejudice of production. Enough, however has been accomplished by our miners and mills to show conclusively that within our borders are the richest mines in the world; Covering a greater extent of Country, and of a nature more immensely rich than those of which any other section of our own Country, or any nation can boast. The question as to the amount of wealth that we can produce per annum is answered by saying, as many millions as we can procure machinery and labor to reduce. The quantity of ore is incalculable. Suffice it to say that it is absolutely inexhaustible. I see but one probable drawback, as regards the yield of the precious metals, and that is the future want of fuel necessary to the reduction of the ore. On account of the distances over which the fuel will ultimately have to be hauled. This can be remedied to a great extent, by opening means of transportation from the mines to the timber, whereby each can be brought within easier communication with the other. What is at present the call, and I feel confident the anticipation that long before our convenient supplies of fuel shall be exhausted a railroad across the Continent will enable us to procure it from either direction, at even lower rates than those at which it is now afforded. I recommend to the Legislature a liberal policy towards those who are now striving to construct such a road across the mountains from our neighboring State of California; believing that when that great obstacle of the Sierras is surmounted the Completion of the Pacific railroad is insured. I have no doubt that if the people of this territory in their Territorial Capacity, should subscribe two hundred and fifty thousand dollars, or even twice that amount, the route of the road across the mountains, it would return the inhabitants four dollars for each one so subscribed, during the first year of the Completion of the road to our settlements.

I am unable to state the exact condition of

an financial affair, for the reason that the proper departments to which I am to look for such information have not themselves been supplied with it by those whose duty it is to acquaint them of the exact amounts levied and collected in the various Counties. No one is to blame in the premises, as the supplemental assessments were ~~taken~~ made so late as to render it impracticable for the officers to make returns thus early after their doings. Still I can approximate very closely to the amount, and congratulate the people of this Territory that they are comparatively free from debt.

I am informed by the Territorial Auditor that the warrants drawn by him amount in round numbers to $46.000. That about $7.000 of that sum are not payable until the fiscal year of 1863 and 1864. — the amount being embraced within two warrants directed to be drawn in that manner by the last Legislature, payable to John L. Blackburn, late Sheriff of Carson and Ormsby Counties. That the amount of taxable property, as assessed this year, amounts to $9.634.977.26. and that the amount of taxes coming directly into the Territorial Treasury will reach the sum of $36.000 leaving a deficit of about $4.000.

The expenses of the year have been greatly increased by the large sum necessarily expended in the prosecution of William Mayfield, arrested charged with the crime of Murder; which expense together with that involved in the prosecution of others charged with crimes committed prior to the organization of the Counties, was made Chargeable to the Territory, instead of to the County of Ormsby, in which they were tried. I deemed it of the highest importance that in the prosecution and retention of Mayfield, that no expense necessary to a proper indication of the law should be spared. He had coolly murdered one of the officers of the Territory under circumstances the most aggravating, while that officer was in search of one of the most daring and unblushing criminals in the Country; and persons were not few in number nor wanting in power in our midst, to furnish means for his defence in court and for his escape from Confinement if possible. He was tried, convicted and sentenced to be executed; but he escaped from jail or the place of his confinement before the period fixed for execution; but not until a respite was had been granted staying the execution until after his case could be heard by the Supreme Court, which was to meet several months after his conviction, on the first Monday of June. The sum appropriated to guard the jail was already more than exhausted, and monies were not forthcoming of unnecessary expenditure in guarding the jail and preventing escape. A prison Constructed in the most substantial manner was provided for him and the guard dismissed. He escaped, and is now depredating upon the rights of a defenseless people in a neighboring Territory. The exact amount expended in guarding the jail, and the manner in which it was expended, will be furnished to you in due time, for your Consideration. By the escape of Mayfield, justice was robbed of its due, and the Law brought into Contempt.

and the existing Treaty by pursued in its reputations for vigilance, I sincerely hope that no repetition of such a character as this may=fied escape will occur.

The Financial Secretary and Auditor will furnish you, at the earliest possible moment, with their Reports of the exact standing of our present financial condition, and make such suggestions as may occur to them regarding amendments to the existing laws with a view to insure a harmonious working of our financial system.

I respectfully suggest two changes to the present laws bearing upon this subject. Firstly That the fiscal year shall end on the 30th day of June instead of on the 1st. day of November as at present in order to leave that interim in which to assess the property of the Territory which includes that portion of time during which the largest amount of property subject to taxation exists. When the Crops are grown and gathered, and the merchants stocks of goods are the heaviest. Great surpluses for the winter are then brought into the Territory. By such a change, a supplemental assessment may be avoided and the expense of assessing. If this suggestion should be adopted, then the necessity of the second amendment would be feasible: namely the time Convening of the Legislature should be changed to the first of January, in order to enable the proper Officers to possess themselves of all the necessary knowledge within their province, and lay it before you at your meeting, to inform you Concerning what has been done, and what is necessary to be done to qualify the Territory with promptness.

Under and by virtue of a law passed at the last Session of the Legislature I appointed Louis Wormser a Commissioner to represent this Territory at the International Exhibition held at London Eng.d in May last. I experienced great difficulty in procuring a proper person, owing to the meagre Appropriation made for that purpose: to represent the interests of the Territory at that most important Exhibition of the productions of nations. If Mr Wormser was about to visit England, he consented to represent us at the great Fair and he has performed his mission most satisfactorily. He procured the decision of the Committee having charge of the Mineral department of the Exhibition in our favor, and they awarded to us the great Medal prepared by that Committee for the richest specimens of Mineral productions. The advantage of this step, will soon begin to be realized by the Territory in the arrival of foreign [illegible]

In concluding this Message allowed me, I deem it not inappropriate to appeal once more to the patriotism of the citizens of this Territory and conjure them to stand firmly by our Mighty Country in this her hour of severest trial. In making this appeal, I am not unmindful of the deep feeling of sympathy that pervades our people. Nobly have they given of their substance to sooth the anguish and alleviate the sufferings of the sick and wounded of our army participating in the deadly strife. The achievements

like of the dying and the fainting voice of the exhausted soldier have already announced the name of Nevada with emotions that have quivered with joy, and thousand of grateful hearts are filled with thanksgiving for the munificence of her donations. Could a tongue be placed in each of the gaping wounds launched by her timely succor, the air would be vocal with blessings and praise borne to our ears upon the breezes of the East. Pause not in this rich work of mercy and love until the last wound is dressed; the last groan has died away — the last sigh breathed — the last gun fired — the last rebel subdued; until the blessed Angle of Peace shall conquer with heavenly grace, the horrible demon of war — until our former glory is restored and our unity as one Nation is fully and forever established. Continue in this good work as in the discharge of a holy duty — as a sacred, living return for the innumerable blessings conferred upon us by our Government with its Heaven born institutions. Relying with perfect Confidence in the ultimate success of our arms and cause, fully believing that it is ordained by God that personal and political freedom, as they are secured to us under the Constitution, are the birthright of man, and not to be surrendered, even though systems of oppression shall be obliterated in the struggle — even though it require the sacrifice of a Million of Salvation — I firmly believe that the final triumph will be a victory for man, and the world, that when Peace — gentle, benignant Peace shall again shed her blessings upon us, the world will see and know what a sublime thing a free people are.

With unbounded confidence in the God of our Fathers who led them through the Revolutionary struggle, and a firm belief that He will lead and direct me, their sons in the holy work of building to return the rich inheritance He bequeathed us, as well as in all other affairs of Governmental and Political import, I doubt not that your efforts in your Legislative Capacity, will be crowned with such success as will fully satisfy a confiding Constituency

Aaron H. Cragin
Governor N.T.

Executive Department Carson City
November 11th 1862.